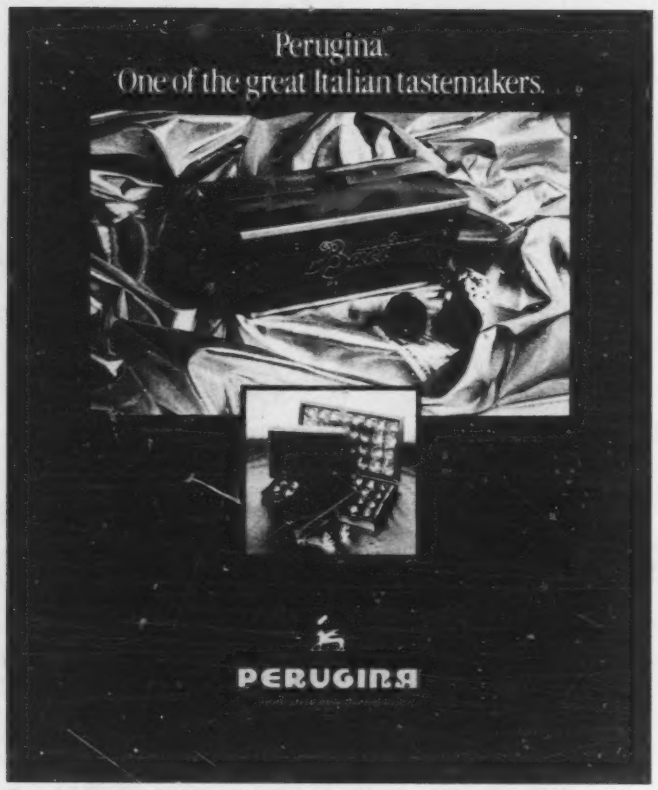



**Perugina** pushes Baci chocolates for mistletoe moods. Baci is Italian for kiss.

# Adman Ernst fined, gets weekends in jail

**By CHRISTY MARSHALL**

NEW YORK—Starting Dec. 7, John Ernst, who recently resigned as chairman of Advertising to Women, will be spending 26 weekends behind bars.

Within a month, he will be paying the government $20,000, the amount he was fined after pleading guilty in August to charges of tax evasion and conspiracy (AA, Aug. 15).

Aside from using ATW assets to pay for such personal expenses as trips and personal gifts, Mr. Ernst was charged with setting up a system in the agency whereby certain employes who were granted "D" accounts could charge $3,000 to $5,000 worth of personal expenses to the company. Mr. Ernst denies that some accounts were "unlimited."

Mr. Ernst is married to Lois Geraci Ernst, president-creative director of Advertising to Women.

Mr. Ernst stood before U.S. district court Judge Vincent Broderick and delivered a last plea before sentencing. He asked the judge "to take into account the suffering I have gone through, that my family has gone through and the rest of my company has gone through. It has been very painful, very difficult."

He also spoke of "disproportionate vilification by the press in reporting this." He then said, "I have been brought up all my life to request forgiveness. I would ask your forgiveness now."

On the first count of conspiring with others to defraud the government, Judge Broderick set a fine of $10,000 (the maximum) and three years in jail. That sentence was commuted to six months of weekends (Friday nights to Sunday nights), to be followed by probation for the next five years.

On the second count, Mr. Ernst again was fined the full $10,000 and given a three-year sentence to run concurrently with the first three-year term. The judge suspended the sentence, and put Mr. Ernst on five years probation.

As a condition of probation he must "devise and implement a program" to train ex-offenders in the advertising business and help them find jobs. Mr. Ernst was requested to submit the proposal by Nov. 26. Judge Broderick also charged Mr. Ernst to cooperate with the Internal Revenue Service to collect any additional taxes owed.

"This judgment is important not only as far as Mr. Ernst is concerned but for taxpayers in this country generally and, in particular, in the area where Mr. Ernst is professionally involved," the judge said.

Mr. Ernst has been succeeded as ATW chairman by E.W. Kelley, 66, who has held top posts at consumer goods companies such as Fairmont Foods, General

*(Continued on Page 92)*

# Christmas war for chocolatiers

**By GAY JERVEY**

Gourmet chocolate marketers next week will throw down their velvet gloves and start fencing in what promises to be the most critical, competitive Christmas season in their highfalutin history.

Until now marketed by word-of-mouth mystique—with a dash or two of elegant advertising, notably from Godiva Chocolatier—the segment is about to enter the world of expanded print and tv advertising.

Gourmet chocolate marketers will spend more than $5 million in advertising this year, with some 70% of that slated for Christmas.

It won't be a price war—all command $18 per pound and up—but rather one involving whose taste and panache consumers crave most.

No one will be watching more closely than Nestle and Hershey Foods, both of whom are eyeing this segment, which is high on calories, profits and, most of all, that elusive element known as insatiable consumer demand.

Nestle is testing a "Nestle Chocolate Collection" Christmas direct mailing. Hershey is making much ado about its Golden Almond bar, which looks and reportedly tastes more avant-garde than the traditional Hershey bar.

As for the real imported thing, Perugina chocolates, an Italian import that until last Christmas did no advertising at all, will step out in a new, decidedly different tv campaign Nov. 7 that could do for chocolates what "Flashdance" did for torn t-shirts.

The 30-second ad—created by Perugina's agency, Cannon Associates, New York—is a montage of high-speed photography backed by a pulsating punk-style music. Candies levitate from boxes, hazelnuts fall into pools of melted chocolate, and a foil wrapper turns into a pair

*(Continued on Page 92)*

# Anacin up in awareness

**By SCOTT HUME**

The new advertising approach American Home Products has adopted for its Anacin pain reliever may be the best medicine for its market-share headache.

**adWatch**

Of a random sample of 1,250 adults surveyed in September, 147—or 11.8%—said advertising for Anacin was the first to come to mind among all advertising for medicine and drugs they had seen, heard or read in the last 30 days.

That was 4.4 percentage points better than Anacin's share of top-of-mind ad awareness the preceding month and the pain reliever's highest share of responses since the inauguration of the adWatch survey in April, 1982.

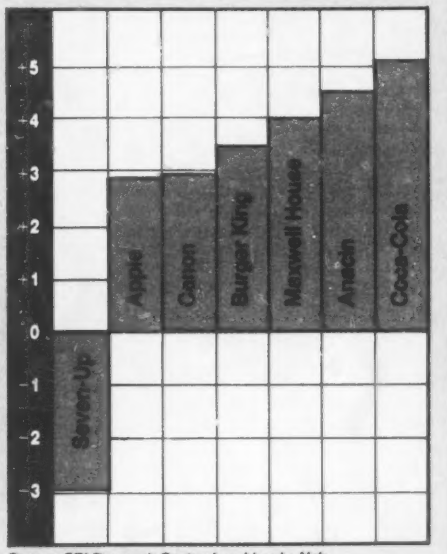
Earlier this year, American Home Products' Whitehall Laboratories unit dropped actress Patricia Neal as commercial spokeswoman for Anacin and introduced a series of new tv spots for the product (AA, Aug. 8).

In a stark, cinema-verite style, these spots use

*(Continued on Page 78)*

## Sept. winners & losers

***Question:* Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind? *Note:* A change of plus or minus 2.8 points is statistically significant.**




*Source: SRI Research Center Inc., Lincoln, Neb.*

# Opponents of split 30s fear basic change in tv

**By CRAIG REISS**

NEW YORK—The current split 30s experiment under way at all three tv networks is being viewed by many advertisers as the gestation of a new media Frankenstein monster.

The experiment, as it is termed by all three networks, involves the acceptance of nonintegrated-product commercials. The single 30-second spot is used to advertise two unrelated products from a single advertiser—usually two 15-second spots, but the lengths of the two commercials do not have to be identical.

The experiment has developed into one of advertising's liveliest debates this year. At stake, many say, is the way tv is bought and sold and perhaps the effectiveness of tv as an advertising medium.

Critics say split 30s will create unmanageable commercial clutter on the tv airwaves. This they see as spawning new competition among advertisers for positioning of their advertisements within the commercial pod, or break.

Critics argue it also could lead to the 15-second spot replacing the 30-second commercial as the standard sales unit in network tv. As with the evolution from 60-second to 30-second spots, critics predict that the cost of a 15-second spot a few years from now will be the same as a 30-second commercial today.

The critics also worry that the 15-second standard unit will reduce the range of creative options in tv advertising. Some advertisers say a 15-second spot, in many cases, can accomplish creatively no more than an outdoor board or a print ad with little copy text.

With the price of network tv ad time expected to continue to rise, these advertisers say the growth of split 30s and the inevitable evolution to the 15-second standard will force many advertisers into alternative media.

Proponents of split 30s generally dismiss the arguments against such spots as being nothing more than "reactionary fears" in the face of change. They point to the many benefits and new advertising opportunities

*(Continued on Page 96)*

## world news roundup

**SYDNEY—A bill to ban** all tobacco advertising in Western Australia was narrowly defeated by a vote of 17 to 15 in the state's legislature last week (AA, Oct. 24).

**LONDON—IBM last week picked** Hedger Mitchell Stark, an affiliate of GGK International, to handle the $6.75 million U.K. launch campaign for its personal computers. GGK, which recently purchased a 30% interest in HMS, handles the account on the continent.

**TEL AVIV—Israel's three largest advertisers,** Bank Leumi, Bank Hapoalim and Israel Discount Bank, suspended all advertising last week. The move to keep a low profile followed charges that the publicly held banks manipulated stock prices to keep them artificially high.

**TOKYO—Kao Corp. begins testing** new Merries disposable diapers this week, with the national rollout, via Dentsu, set to start in the spring (AA, Oct. 3).

**LONDON—De Beers Consolidated Mines** has moved its $2.25 million U.K. account to J. Walter Thompson Co. from Doyle Dane Bernbach.

**FRANKFURT—Colgate-Palmolive** accounts moving to Young & Rubicam here, totaling approximately $11 million, are: Gard haircare line, Softlan fabric softener and Palmolive soap, all from D'Arcy-MacManus &

*(Continued on Page 54)*

# Videogame ads zero in on young males

## Computers force marketers to try segmented approach

By BOB MARICH

Low-price home computers have edged videogame marketing out of the mass market into a more segmented niche.

Young males are the focus of marketing efforts for videogames, experiencing their worst year. Tv advertising, a mainstay of the category, is targeted at sports, children's and teen fare.

Although young males always have been the heart of the market, videogame marketers took a broader approach a few years ago. Convincing parents, who didn't understand the then-new videogame, was necessary at the time.

"Our task has changed from a missionary role to one now of differentiating product offerings," said Bill Simmeth, Atari group product manager-game hardware.

Also, the segmented approach is being employed because of retrenchment. Faced by competition from relatively cheap home computers that also offer videogame play, prices were slashed, cutting profit margins.

Nonetheless, unit sales are tailing off domestically *(see chart at right)*. Foreign sales, though growing, aren't expected to offset the domestic decline.

"They all have lots of inventory sitting around," said Christopher D. Kirby, an analyst with Sanford C. Bernstein & Co. The oversupply of videogame cartridges is even worse (AA, Oct. 17).

Videogame marketers insist that, although sales are sliding, there will be a market for several years. The young male group, particularly teens, wants the superior game play and large library of game titles that home computers do not offer yet.

Slow videogame sales probably will result in a 30% to 50% decline in advertising during the peak Christmas selling season, when about half of the category's advertising is unleashed. But soaring home computer advertising is more than making up for videogame advertising losses.

In the battered videogame console market, Mattel Electronics is the biggest loser. Sales of Mattel's Intellivision slowed to a trickle, forcing the retail price down to about $70 when a $50 factory rebate is factored in. Intellivision once sold for more than $200 at retail.

Mattel's competitors have reduced prices to a lesser extent. Atari, the Warner Communications subsidiary, is offering a $30 rebate. Coleco Industries is advertising $150 in travel discounts with purchases of ColecoVision.

Free game cartridges are included with all consoles as another inducement.

"To the extent there is a winner this year, it would be Coleco," Mr. Kirby said. He estimates ColecoVision has sold about 1.5 million units, besting Atari 5200 sales of 1 million units in the past year. Atari 2600 sales were between 1.5 million and 2 million, according to Mr. Kirby.

**Videogame console sales**

| Year | Units 000,000 | Average price/unit (wholesale) | Gross sales (wholesale) 000,000 |
|---|---|---|---|
| 1982 | 8.0 | $123 | $1,000 |
| 1983 | 5.5 | $85 | $470 |
| 1984 | 4.0 | $60 | $240 |

*Source: C. Kirby, Sanford C. Bernstein & Co.*

"Coleco really took market share away from Mattel," Mr. Kirby said. Mattel, which had been selling more than 1 million units annually, sold about 400,000 units in the same period that ColecoVision sold 1.5 million.

Though Atari slipped in console sales, it still holds more than 50% of the market when sales for the 2600, the system that pioneered the category, and 5200, introduced last year, are combined, Mr. Kirby said.

Mattel's troubles are deep. Intellivision, introduced in 1980, has been surpassed by the newer Atari and Coleco videogame and home computer units in 1983 sales. Mattel's bright hope for regaining momentum, its Aquarius home computer targeted for Christmas, has been withdrawn.

Mattel's losses, $176.5 million in the first six months ended July 30 on revenues of $424.4 million, may force it to withdraw from the electronics field, many analysts believe.

Likewise, Atari has posted major losses, and parent Warner Communications reported a $424.7 million loss during the first nine months on revenues of $2.4 billion. However, Atari has introduced two new home computer products, giving it a fighting chance at a turn-

*(Continued on Page 93)*

## corrections & clarifications

- In the ad linage report (AA, Oct. 24, P. 80) a symbol was mistakenly placed next to *High Technology* indicating "last issue scheduled to be published." *High Technology* is not being discontinued. In addition, year-to-date figures for *New York* and *The New Yorker* were interchanged. *New York's* year-to-date figures are: 1983-1,942.6; 1982-1,688.8. *The New Yorker's* year-to-date figures: 1983-2,318.1; 1982-2,630.1.
- Also concerning the October ad linage report, *Time* has supplied corrected year-to-date figures for its international editions: Asia, 1983-831.6 pages, 1982-821.7; Atlantic, 1983-834, 1982-908.2; Canada, 1983-1,187.7, 1982-1,256.2; Latin America, 1983-388.6, 1982-585.7; South Pacific, 1983-1,056.2, 1982-1,279.5.
- For the September ad linage report (AA, Sept. 19, P. 81) *Ohio* magazine supplied corrected year-to-date figures: 1983-461.4, 1982-399.7.
- Ad Council president Robert Keim was incorrectly identified in a caption for Photo Review (AA, Oct. 24, P. 40).
- Robert Landau Associates pointed out that it is the sponsor rep for the 1984 Winter Olympics in Sarajevo, and that World Sports Group is seeking such tie-ins only in West Germany (AA, Oct. 24, P. 48).

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# World affairs supplant worry over economy

By LEO J. SHAPIRO and DWIGHT BOHMBACH

consumer watch

Americans' worries about international affairs and war have supplanted worries over recession and unemployment: 47% of Americans now name international affairs and war as a national problem, up 15 points between August and September. In August, 48% were worried about recession and unemployment; now only 39% are.

As they feel more confident about jobs and future income, the September Advertising Age Consumer Poll finds consumers planning to buy during the coming year at percentages as high or higher than those found in August.

Proportions of consumers who report actively shopping (going out to visit dealers and comparing prices) for new cars, used cars and major appliances also went up between August and September.

Sometimes when people are planning major purchases they "scrimp" on smaller ones day-to-day. Not now. Six in 10 Americans tell us they are not holding back on day-to-day purchases. We've found this same level of daily purchasing now for the past six months.

One short-term stimulus for all this planning, shopping and buying is the fact that two in three Americans don't expect anyone at their house to get laid off or have hours or pay cut during the coming year. This is the highest level of employment security seen across the country in 17 months.

Almost half (48%) say they expect their household income to go up during the coming year—though the 31% who expect even this higher income to keep pace with living costs is a bit lower than last quarter (33%).

After a year of uncertainty, nearly three-fourths of Americans (74%) find themselves as well off financially (38%) or even better off (36%) than they were a year ago. Looking ahead, almost nine in 10 (86%) expect to be as well off (37%) or better off (49%) a year from now. Most (53%) expect the overall economic picture for the nation to improve in the year ahead.

As often happens, there's also some bitter with the better. Consumers are planning purchases and expect to have money and credit enough to make them, but there are signs of consumer reticence about actually signing on the dotted line for big-ticket items.

For the first time in five months, a majority of Americans (52%) said "now is *not* a good time to make a major purchase," up three points from August. That's still not a high level of resistance compared to the 67% found a year ago—but the short-term trend is in the wrong direction.

Eight in 10 consumers said there's nothing they want to buy now to take advantage of current prices. Only 32% are considering using borrowed money or credit for a major purchase—down a sharp six points from August.

The biggest per cent of consumers in 13 months (42%) tell us they expect "the same or higher" inflation in months ahead, compared to only 31% in the second-quarter 1983.

Sixty-nine per cent expect to pay more for a new car a year from now; 63% expect housing prices to go higher; 46% expect interest rates on major purchases to climb.

Each of these figures is higher than a year ago. If prices and interest rates were lower than they are, this sort of consumer expectation of rising costs could spur more buying.

But few consumers now consider $8,000 economy cars and $70,000 basic homes bargains worth hustling out to grab before they go higher.

Forty per cent of consumers now say they plan to save more money in the year ahead—the highest level seen in almost six years.

As always, retailers, like fishermen, must be ready to "catch fish whenever the fish decide to run."

In the short term, consumer buying may very well bob up or down from month to month and quarter to quarter in response to government and banker manipulations. But in the longer run, we continue to expect substantial growth in consumer spending.

With millions of baby-boom-generation men and women in their once-in-a-lifetime homemaking, baby-making years, just over one in five Americans of all ages (22%) wants babies. Among those under the age of 50 years, 27% want babies.

National research shows that among consumers under the age of 25 years, more women (66%) than men (56%) want babies.

After the age of 25 years, more men than women want babies, with the gap being particularly severe among the 30-to-34-year-olds where over twice as many men (35%) as women (15%) want babies.

Babies make needs. Needs make sales. The sales behind these figures could fuel a big buying boom. In-depth data shows that among consumers under the age of 50 years, the baby-wanters have higher income and much higher buying intentions than do Americans who don't want babies now—even after baby-wanters are statistically equalized in terms of their age and sex with those who do not want babies.

Two in three "baby-wanters" earn over $20,000; one in three earns more than $30,000. Twenty-two per cent plan to buy a house during the coming year, 26% a new car, 31% furniture, 20% major appliances, 9% stereos/hi-fis and 10% color tvs.

All these figures on buying plans among "baby-wanter" Americans are 30% or more higher than among people of comparable age and sex who do not want babies now.

This enormous pool of potential buying power is going to have to be satisfied in the next few years. It can't wait much longer.

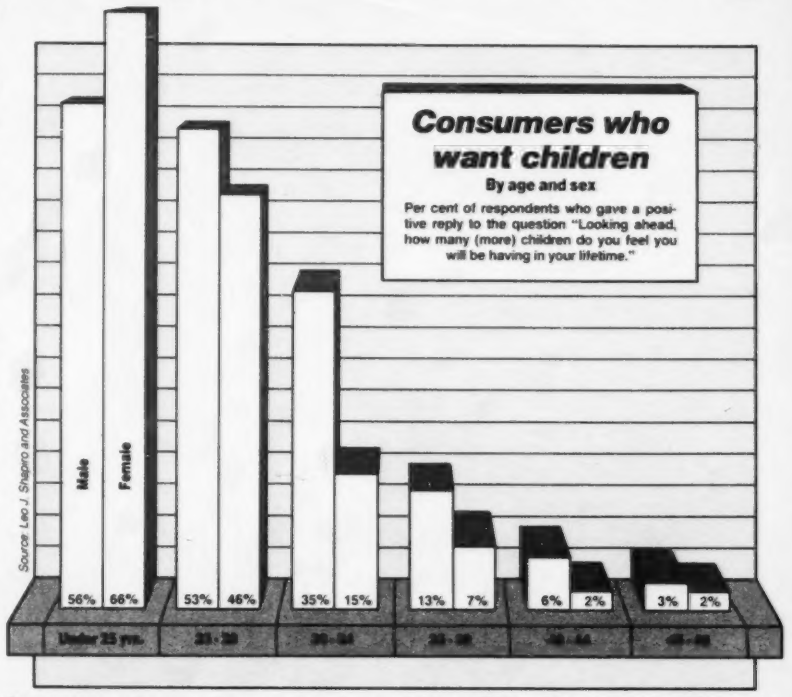
Meanwhile, what can be expected in cash registers during the coming holiday season? So far, the consumer response looks very good.

Consumer spending plans for this Christmas are up sharply from record low levels we found in September, 1982.

One in five consumers (20%) expects to spend more for Christmas this year than last, four points above expectations last year at this time.

Almost two in five (36%) expect to spend "about the same" this year—two points above expectations last year.

The proportion expecting to spend more (20%), or at least the same (36%), for Christmas this year compared to last is the highest seen in three years.#




**Consumers** who say they want to have children (27% of those under 50) are in general more affluent and plan more major purchases than the total population.

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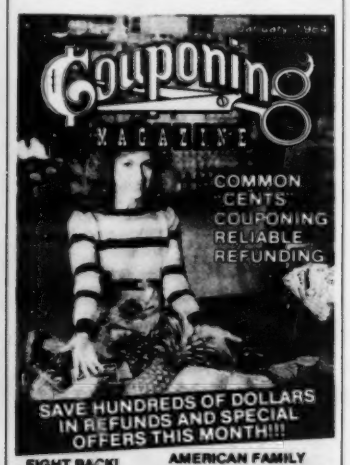

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# Business is looking sunny

More than 100 research executives representing 73 member companies congregated at the Scanticon-Princeton Executive Conference Center, Princeton, N.J., Sept. 28 to 30, for the eighth annual Workshop of CASRO (Council of American Survey Research Organizations).

**CASRO members were warmed by some upbeat business trend data that showed bookings of new studies increased 10.9% in 1982.**

In addition to basking in some beautiful autumn weather, CASRO members were also warmed by some upbeat business trend data, which are developed via a confidential survey of survey research companies. Sales (bookings of new studies) increased 10.9% in 1982 over 1981, according to the latest study, which was based on 61 participating companies.

Medium-size companies (annual revenues between $1.5 million and $6 million) had the best growth record—up 16.3%. Large companies (sales under $1.5 million) were up 3.1%—significantly lower than the inflation rate in 1982 (6.1%, according to the U.S. Department of Labor's Consumer Price Index-U).

More current data, based on reporting from 72 companies, showed that the second quarter of 1983 was up 15% over the same period in 1982.

A main business item at CASRO each year is the election of a new board of directors. Newly elected chairman for the coming year is Richard McCullough, president of Winona Research, Minneapolis.

Chairman-elect (for 1985) is Thomas Lea Davidson, president of Davidson-Peterson Associates, New York.

Other board members are: Joseph F. Baldi, president, Directions for Decisions, New York, treasurer; Pieter P. de Kadt, president of de Kadt Marketing and Research, Greenwich, Conn., secretary; Kathleen Knight, executive vp, Behavioral Analysis Inc., Irvington, N.Y.; Dexter Needle, vp, Audits & Surveys, New York, and Foy N. Conway, president, Conway/Milliken Corp., Chicago. Diane Bowers continues as executive director of CASRO.

The CASRO program, put together by Foy N. Conway, chairman of the annual workshop committee, included two outside speakers. Priscilla Kamrath of Walker Research and current president of MRA (Marketing Research Assn.) made a speech closely allied with the CASRO workshop theme, "Growth Through Interaction." She commented on the increasing importance of MRA/CASRO joint projects and described the 1984 plans for the annual Marketing Research Week industry publicity program, which was instigated by MRA in 1983 and strongly supported by CASRO and individual CASRO member companies.

The after-dinner speaker this year was Jack H. Honomichl, research columnist at Advertising Age, who discussed some of the current industry trends as they relate to the special interests of CASRO's membership.

*New CASRO officers (from left): Tom Davidson, 1985 chairman-elect; Diane Bowers, executive director; Dick McCullough, 1984 chairman of the board.*

Two observers, Yvan Corbeil and Michael Adams, from CAMRO (Canadian Assn. of Marketing Research Organizations) attended CASRO for the first time this year as special guests. Also, 13 exhibitors—almost all suppliers of hardware and software customized for the research industry—sponsored booths.

Betsy Bikoff of Walker Research and Robert E. Shaw of Burke Marketing Services reported on the results of an annual membership survey of financial compensation trends in the industry. Based on 55 cooperating companies, the analysis showed that the average salary increases, from April, 1982, to March, 1983, ranged from 2.5% to 9.9%.

In 1984, CASRO will depart from its tradition of meeting annually in either the greater New York or Chicago areas. Sept. 19 to 21, the 9th annual workshop will be held at McCormick Ranch, Scottsdale, Ariz. Program chairman will be Marvin W. Baiman, president of R. H. Bruskin Associates, New Brunswick, N.J.

*Board members: Herb Abelson; Joe Goldstein; Pieter de Kadt; Harry O'Neill, chairman; Foy Conway; John Rupp, counsel and Dexter Needle.*

## How researchers fared

*Salary increases for research positions for the period from April, 1982, to March, 1983*

| | Average salary increase |
|---|---|
| President/chief executive officer | 7.2% |
| Executive vp | 8.4 |
| Vp/division director (with research responsibility) | 8.2 |
| Vp/division director (no research responsibility) | 9.9 |
| Senior client/account services | 7.3 |
| Senior project/research manager | 9.9 |
| Top field services/WATS manager | 9.2 |
| Top tabulation/data processing manager | 9.5 |
| Coder | 7.3 |
| Interviewer | 6.1 |
| Starting salary for entry level professionals | 2.5 |

Source: Burke Marketing Services, based on survey of 55 companies

## Shifts

*(Continued from Page M-9)*

a new instrument enables you to see many, many things that you could never see before."

For example, Diane Schmalensee, director-research operations at the Marketing Science Institute in Cambridge, Mass., points to recent efforts by researchers to use scanner data to produce "perceptual maps" that can tell a marketer where a brand stands competitively. "By looking at the substitutions people make with variations in price, you can make statements like, 'This brand is like that brand, but far away from that other brand,' " she says.

As the cost of primary research mounts and as the amount and availability of such "secondary" databases increases, researchers who can come up with such innovative uses of existing databases will be increasingly in demand.

Such innovative techniques, however, require "a good theoretical base, an understanding of underlying marketing theory, of how the consumer acts and how advertising works," says Ms. Schmalensee. "There are a lot of data handlers [in market research] who know how to handle data but don't know what it means. You get huge amounts of data from the new technologies, and you need researchers who have an understanding of the bigger picture before they start wading into the data."

Such an understanding of marketing management principles also will prove invaluable as more and more organizations set up internal management information systems and inhouse databases for management use.

"You have to get the information into the database, and you have to have someone do it who understands the bigger picture, who knows what data should be in there and who knows what form it should be in so that it will be useful for decision making," says Ms. Schmalensee.

The establishment of such inhouse data systems also presents the research community with an opportunity to expand its role as an information provider. For example, market researchers have the opportunity to integrate their market-type data with other types of information—macroeconomic figures on such things as interest rates, housing starts and industry projections.

Again, the market researcher who can take advantage of this opportunity will need a different mix of skills than is generally emphasized today.

"I think that one will find 'bridge people' in the sense that these are people who are skilled enough at research to understand the research on its own terms, managerially oriented enough that they will be able to serve as translators between line management and the more typical researchers," says Mr. Greyser. "This new role may turn out to be transitional. Five or ten years from now, you may find that MBAs have had more training in market research than most of today's programs give."

At the same time that new opportunities are opening, new challenges are emerging. Corporate data processing operations, for example, may challenge market research's efforts to take the "information provider" function under its wing. "I see a real danger that research departments may become data-driven and just become research suppliers," says Ms. Schmalensee.

The research community could also learn from the computer-related experiences of professionals in other fields.

"We have looked at things like computer-aided design [CAD], which has been an accepted tool for at least a decade," says Ennius E. Bergsma, principal with the McKinsey & Co. consulting company. "We have found, by really going back and seeing what these systems have done, that, in fact, they haven't really increased productivity that much. If a designer or engineer sits down at a terminal before thinking very much about the problem and makes a first design, then refines it and refines it, if the initial framework in which the guy was thinking is wrong, then all that CAD does is enable you to make the best out of a difficult situation.

"I see that same type of danger developing in the gizmos that market researchers are developing."

Or perhaps the introduction of mainframe computers into the corporate world can also serve as an illuminating example. "When the mainframes came along, everyone predicted that people would disappear and all you would do is spit out sales reports," recalls Florence Skelly, president of the Yankelovich, Skelly & White research and consulting company. "What actually happened was that thousands of MBAs were hired to interpet the garbage. It didn't reduce the jobs, it changed the nature of the jobs. It made them more professional and higher-paid. All the little ladies with gray hair and hairnets went, and, instead you got the MBAs."

### Coming

Next week Advertising Age Magazine's special report will be our annual Media Outlook.

# adWatch

(Continued from Page 3)

closeups of the faces of "real" people who talk about their lives and Anacin's ability to take care of the headaches that come with their jobs. The initial series of spots has featured a waitress, a coal miner, a teacher and a farmer. William Esty Co. is the agency.

A Whitehall spokesman said that while "the technique is a new one for us and probably for the whole analgesic market," the message that Anacin is a fast, effective pain reliever continues unchanged.

Five additional spots will begin airing soon, according to the spokesman. The new characters are a school headmistress, a professional football player, a housewife, a cowboy and a welder.

The increased advertising awareness for Anacin comes as AHP, in its continuing share battle with analgesic-market leader Tylenol, is preparing for over-the-counter sales of ibuprofen, the largest-selling prescription remedy for arthritis. AHP plans to market the drug under the brand name Advil as soon as the Food & Drug Administration gives final approval (AA, Sept. 26).

Tylenol, with 30% of sales in the otc analgesic market to second-place Anacin's 13%, continued to lead the category in advertising awareness. In September, 33% of survey respondents named Tylenol advertising as the first to come to mind, up slightly more than 1 point from August. Advertising for Bayer aspirin, replaced in second place by Anacin last month, was the third most often named with a 6.2% share.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a national random sample of consumers to name the advertising that first comes to mind of all seen, heard or read during the past 30 days.

From Sept. 1 through 20, 1,250 people were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points is considered statistically significant and attributable to more than sample variations.

The largest single increase in ad awareness last month and the only significant decline were registered in the soft-drink category.

Coca-Cola, whose advertising has been highlighting the introduction of a caffeine-free version, was mentioned first by 32.1% of the sample, up 5.1 points from August. The increase gave Coke the highest awareness share recorded to date among the tightly bunched soft-drink brands.

Pepsi-Cola remained in the No. 2 spot with a 26.4% of first mentions. 7UP managed to hold on to the No. 3 spot with its anti-additive message, but its 5.9% was off nearly 3 points from August.

With a new, tougher ad campaign set to begin soon (AA, Oct. 17), Diet Coke, with 5% of first mentions in September, threatens to move ahead of 7UP into the top three.

Among significant changes in other categories last month:

• Burger King's "MacDonald Family" and other spots in its "The switch is on" campaign appear to have caught consumers' attention and have given the No. 2 **fast-food** chain some renewed momentum. After declining from 21% of mentions in March to 14.4% in August, Burger King's awareness rose 3.3 points to 17.7% in September.

That growth seems to have come largely from consumers who normally pay little attention to fast-food advertising, since leader McDonald's share remained nearly unchanged at 45%. McDonald's advertising was dominated by "McNugget Mania" last month.

No. 3 Wendy's returned to its humorous Joe Sedelmaier-produced spots last month and lost some of the increase in awareness its "Only Wendy's" campaign generated the previous month. Its September share was 6.1%, down from 7.9%.

• A new campaign for General Foods' Maxwell House coffee boosted awareness of that product's advertising 4 points (to 21.6% of mentions) and moved it into the No. 1 position in the **coffee & tea** category. It features a series of vignettes in which a photographer and his dog roam the country encountering beautiful scenery, friendly people and Maxwell House.

Procter & Gamble's Folger's brand, with a 1 point decline in ad awareness, slipped back to No. 2. First mentions of Lipton advertising slid 2 points, although its 10.7% share was enough to keep it ahead of Sanka (7.4%).

• In the **cameras & photographic equipment** category, a 2.9 point jump to 15.9% of first mentions gave No. 2 Canon its greatest share of top-of-mind awareness to date. The surge comes without any major change in advertising direction or message last month.

Eastman Kodak, which had boosted awareness with a midsummer promotion and new disc camera drive, continues to have the most-often mentioned advertising in the category. But its 31.8% September share was off 2.5 points from August. Polaroid remains in the No. 3 slot with a 7.9% share.

• Apple Computer's advertising asserting it was the first to perfect the personal computer and it remains the leader with its Apple IIe and Lisa models was mentioned first by 9.4% of consumers in September, a 2.8 point increase. That helped it close the gap with perpetual **home electronics** category leader Atari, whose advertising came to mind first for 13.4% of the sample. General Electric was a distant third with a 4.8% share.

• Stroh Brewery Co.'s "Alex the dog" spot in which a dog is sent to fetch his owner a beer but then is heard off-camera apparently drinking the beer himself earned Stroh's a place among the **top 10** in over-all awareness in September.

When the 1,250 adults were asked to name the first ad that came to mind from all they had seen, heard or read, the following, in order, were mentioned most often: (1) Coca-Cola; (2) Pepsi-Cola; (3) Miller/Miller Lite; (4) McDonald's; (5) Burger King; (6) Ford; (7) Stroh's; (8) Budweiser/Bud Light; (9) Tide; (10) Levi's.#

*For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.*

## Bungy jumpers set to leap into tv spots

By FRED DANZIG

New York—The bungy jumpers ("boinnng") have landed ("boinnng") on Madison Avenue ("boinnng boinnng").

Six jumpers, members of Britain's celebrated Dangerous Sports Club, have arrived in town, their rubberized, elastic ropes, jump shoes and rigging in tow. They began calling on ad agencies in hopes of picking up, or jumping into, tv commercials work.

Led by petite-but-fearless Janie Wilmot, the jumpers have their press clippings and ideas for specific stunts they are willing to perform to call attention to a product.

In the U.S. in recent years, they have jumped off the Golden Gate Bridge and rappelled their way down Royal Gorge Bridge.

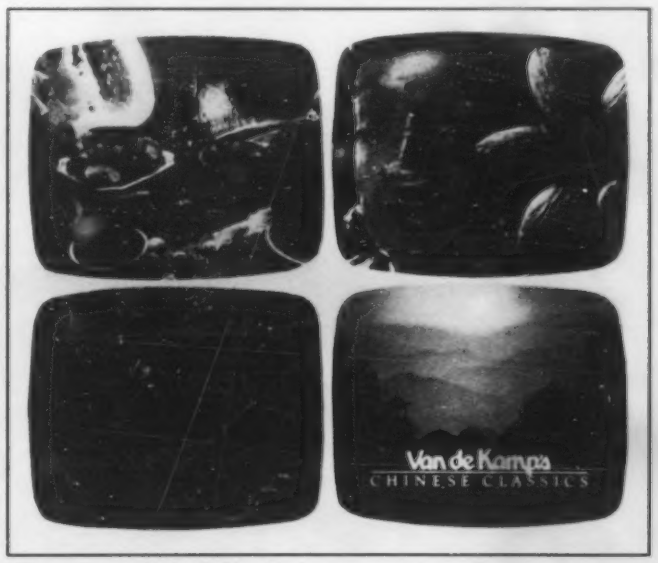
They are called bungy (as in spongy) jumpers because they employ the elastic bungy ropes that enable them to bounce upward just shy of impact with the river or rocks below.

Ms. Wilmot, hardened to the ways of rope rappelling but unsure of how to present her schemes to agency executives, calls her team "a commercial in search of an advertiser."

She is using office building elevators as she makes her rounds, spurning suggestions of friends that she bungy in from the roofs. Like her rope, her fees are elastic. That is, bungy jumper rates depend on the assignment, she said.

Ms. Wilmot refers to "bungy jumping" as "an exciting new event where daredevil jumpers thrill crowds by plummeting earthwards on elastic ropes," in a "unique and apparently death-defying flight." She notes that if no suitable high spot is available, the team is willing to jump from high cranes or helicopters.

Ms. Wilmot recommends her high-risk jumping act to agency executives who find themselves, creatively speaking, at the end of their rope. Boinnng.#




## For exotic tastes

Van de Kamp's, Long Beach, Cal., depicts exotic Chinese scenes to entice tv viewers to buy its new line of frozen Chinese entrees (AA, Oct. 17). The frozen line is getting tv spending at a $5 million national rate. Spots are being rolled out gradually from West to East Coast. Dilorio, Wergeles, New York, is the agency.

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**As footage is shot** for Hall & Oates' upcoming cable specials, Jeb Brien, vp-promotion, Champion Entertainment, New York, (standing at door) watches Daryl Hall and John Oates (right) reminisce.

# Hall & Oates ads to set record

NEW YORK—Daryl Hall, John Oates, RCA Records and Champion Entertainment aim to consolidate Hall & Oates' position as the top-selling duo in rock music annals with a multipronged blitz that will stretch well into 1984.

Although Champion, through founder/president Tommy Mottola and vp-promotion and marketing Jeb Brien, has guided the performers through more than a dozen albums and numerous tours, the biggest promotional support for one of their albums is about to break, followed by yet another tour backed by a major advertiser to the tune of $2 million-plus.

RCA Records will spend $1 million on tv alone to promote the latest Hall & Oates album, a "greatest hits" collection, between now and Jan. 1. Mr. Brien, who worked with RCA on the advertising effort, claimed that sum is the biggest yet put behind an album and should more than pay for itself in retail sales.

The album includes two new cuts that will be released as singles. It should sell 3 million copies in the U.S. by Christmas, and 7 million worldwide, the vp predicted.

The fall-winter marketing strategy, as laid out by Mr. Brien, calls for targeting young (16 to 24) consumers and Hall & Oates followers first via advertising and tv and cable programing, both specials and music videos.

The second phase, aimed at drumming up Christmas gift buyer business, will zero in on an older audience with a repeat of their last Home Box Office concert special on Dec. 7, again coupled with a syndicated radio simulcast on 300 stations.

This latter phase also will encompass pre-Christmas media buys and the playing of the hits album on November and December United Airlines flights, in a presentation hosted by an MTV "veejay." Calling the latter in-flight special a first, Mr. Brien guessed that the airline airplay alone may reach 1 million United passengers. RCA Records will tie-in by running an ad page in United in-flight magazines during both months.

Besides tv, RCA is making sizable fourth-quarter commitments in out-of-home media, namely in Foster & Kleiser outdoor locations in four of the largest auto traffic markets (New York, Atlanta, Houston and Los Angeles), TDI transit posters at 281 train stations in New York City, Long Island and Connecticut plus yuletide-related ads in shopping malls in Los Angeles, Minneapolis, Atlanta and Dallas.

Mr. Brien said the group ended its Canada Dry-sponsored 107-market tour (designed chiefly to promote the "$H_2O$" album) in August; the soft-drink company, among 10 companies considered by Champion, spent $2 million-plus promoting that tour.

Their 1983-84 tour will begin shortly, with Champion's executives now finalizing terms with a new, unidentified tour sponsor that contacted Champion direct.

Asked if Hall & Oates might offer any of their past songs for use in commercial jingles, Mr. Brien said, "We would like to" do so with the new tour sponsor. "Canada Dry, or rather Young & Rubicam, didn't respond to our offer to cut a track or use existing music."

Bridging 1983 and '84 will be the two new singles, the first ("Say It Isn't So") due later this year and the other planned for spring. Also in spring '84, as the global tour continues, RCA will market a new album. Helping keep a high profile for Hall & Oates well into 1984 will be MTV, which Mr. Brien said will designate the duo as its "group of the summer."#

# 'Video revolution' overthrows profits

By JAMES P. FORKAN

NEW YORK—The so-called "new video revolution" has been somewhat revolting for a number of companies, based on their third-quarter financial results.

Cable properties helped drain profits at ABC Inc. and Warner Communications, and the latter also was hit hard by problems in the videogame and home computer fields.

Time Inc. earnings dropped because of the now-defunct *TV-Cable Week* and Time's subscription tv operations, a field it now plans to avoid. The company's main cable interests were hefty contributors to Time's financial health.

At ABC Inc., ABC Video Enterprises reported third-quarter losses of $12 million vs. $10 million in the like 1982 quarter as revenues edged slightly upward.

The company acknowledged that the "softness in the over-all cable advertising environment" slowed progress of its ad-supported cable tv services. Developmental costs for TeleFirst, its in-home entertainment recording service to be tested early next year, also contributed to costs.

ABC's tv profits on the network and the owned-stations levels were affected adversely by "a weaker news marketplace," higher costs to reformat its late-night news programing, increased news coverage, plus softer local advertising demand and a rise in local program production costs.

At Warner Communications, Atari's videogame woes were the primary reason for the parent's losses thus far in 1983. A $122.4 million loss for the third quarter and a $424.7 million loss for the nine months—in sharp contrast to net incomes of $78.7 million and $224.8 million in the corresponding 1982 periods—set off another round of negative coverage in the financial press. Atari's difficulties, or at least Warner's admission of them, broke in December.

Warner leveled the bulk of the blame for the losses at "the continuing chaotic marketplaces for videogames, home computers and coin-operated [arcade] games, including distress sales of inventory by companies leaving the business."

Warner did not dwell much on Warner Amex Cable Communications and Warner Amex Satellite Entertainment Co. in the third-quarter statement. It did say those joint ventures with American Express Co. "continued at a loss in the third quarter," but those cable tv operations and the two-way Qube service continued to consume millions of dollars.

Videogames also caused trouble at CBS Inc., where the third-quarter report was a good one except for CBS/Columbia Group, which encompasses the toy, musical instrument and videogame/computer software operations.

That group's $15.7 million loss in the third quarter, up from a quarterly loss of just $500,000 in 1982, was blamed by CBS on the troubled marketplace for videogames.

RCA Corp. emerged from the third quarter in healthy shape over-all, as NBC and the communications, electronics and transportation services divisions all notched record sales. Sales in the communications sector soared 19%, but that unit's earnings dipped.

Videocassette and tv set sales contributed to gains by the consumer electronics division, while the broadcast systems unit sold fewer video recorders and cameras to tv stations and networks.

Cable boosted financial results from Capital Cities Communications and Cox Communications.

New video was praised for contributing to MGM/UA Home Entertainment Group's latest results.

At Taft Broadcasting Co., the TCI-Taft Cablevision Associates cable venture reported that many of its 14 systems (with 148,000 basic subscribers and 62,000 pay) were added in the past 12 months. That venture's quarterly loss of $671,000 was lower than projected.#

# Videogames tighten aim

*(Continued from Page 6)*

around of its operations.

Expandability and peripherals (optional accessories) are the cornerstone of advertising geared for the peak Christmas selling season. All three marketers offer adapters that allow their consoles to play cartridges for Atari's 2600, which has the largest installed base.

Ads for ColecoVision pitch a computer accessory package retailing for about $450 that makes the game into an Adam, Coleco's new home computer. "We do not make the distinction between videogames and home computers as many others do," said Morton Handel, Coleco exec vp.

Meanwhile, Mattel is offering a computer accessory that is expected to sell for about $100.

Though the installed base of Intellivision is about 3 million units, larger than ColecoVision's 1.5 million, Intellivision is less active because it has been in the market longer, Mr. Kirby said.

There are about 13 million Atari 2600 units and another 1 million 5200 units in the marketplace.

Mr. Kirby said peripherals, such as computer expanders, cartridge adapters and sophisticated controllers, are high-profit items that are getting a big push this Christmas. But such accessories represent only 10% of videogame sales, he said.#

## Atari line to play off rivals

SUNNYVALE, CAL.—Atari is enlarging sales of software, the big profit center of videogame marketers, by offering its popular games in formats for competitors' equipment.

The new line, marketed under the AtariSoft name, is for Mattel's Intellivision and Coleco Industries' ColecoVision, which are Atari's chief videogame competitors.

AtariSoft also will be offering videogames compatible with the following computers: International Business Machine's PC, Commodore 64 and VIC 20, Apple II and Texas Instrument's 99/4A.

The move comes as Intellivision and ColecoVision introduce adapter accessories that enable them to play game cartridges formatted for Atari's 2600.

The AtariSoft agency is Needham, Harper & Steers/-USA, New York.#


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